

October 28, 2010

VIA ELECTRONIC MAIL

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: CC Docket No. 96-45 - Federal-State Joint Board on Universal Service
WC Docket No. 03-109 - Lifeline and Link Up**

Dear Ms. Dortch:

On October 28, 2010, Javier Rosado, Senior Vice President - Lifeline Services, TracFone Wireless, Inc., and I met with Trent Harkrader, Irene Flannery, and Elizabeth McCarthy, all of the Wireline Competition Bureau's Telecommunications Access Policy Division. During the meeting, we discussed TracFone's views on the Lifeline eligibility, verification and outreach issues referred to the Federal-State Joint Board in the above-captioned docketed proceedings. The views were expressed were consistent with TracFone's positions as articulated in previously-filed comments in these proceedings. A handout summarizing those views was provided to each of the attendees. A copy of that handout is included herewith.

Pursuant to Section 1.1206(b) of the Commission's rules, this letter is being filed electronically. If there are questions regarding this matter, please communicate directly with undersigned counsel for TracFone.

Sincerely,



Mitchell F. Brecher
Counsel for TracFone Wireless, Inc.

cc: Mr. Trent Harkrader
Ms. Irene Flannery
Ms. Elizabeth McCarthy

enclosure

CC Docket No. 96-45 -Federal-State Joint Board On Universal Service
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SUMMARY OF KEY POINTS OF TRACFONE WIRELESS, INC.

- **Centralized Databases are the best means for verifying customers' eligibility for Lifeline enrollment**
 - Some states (e.g., Maryland and Florida) already have such databases; others are considering them. Where available, the system works well.
 - Ideally, there should be a single national database but state-specific databases administered by departments who manage qualifying programs also can be effective.
 - Obviates the need to choose between self-certification and burdensome requirements that applicants provide documentation of eligibility.
 - Access to eligibility databases would allow for 100% annual verification rather than use of statistically-valid samples -- would eliminate need for annual verification surveys, and would eliminate the risk of qualified households losing their Lifeline benefits because they failed to respond to a survey.
- **Need to avoid multiple Lifeline enrollments ("double dipping")**
 - A potential problem with multiple ETCs offering Lifeline;
 - No carrier can determine whether a Lifeline applicant is enrolled in another ETC's Lifeline program
 - Double dipping can only be prevented with access to Lifeline enrollment databases by all ETCs.
 - Such databases would not result in divulging consumers' personal information -- the only information available would be whether an applicant receives Lifeline benefits from another carrier -- the name of the carrier and the basis on which the applicant qualifies would not be indicated.
 - Needs a state enforcement mechanism.
- **There has been lots of speculation about potential fraud from competitive Lifeline options specifically prepaid wireless options, but no evidence of any significant fraud.**
 - A few anecdotal situations of customers trying to sell SafeLink® and Assurance Wireless (Virgin Mobile) phones on e-bay or Craigslist, but those are rare and are promptly addressed by TracFone, Virgin Mobile, and the site operators.

- TracFone's non-usage policy (developed in cooperation with state commissions) prevents Lifeline support being provided for Lifeline customers who enroll but who do not use the service.
- A consistent non-usage policy should be required for all ETCs, certainly for all ETCs who provide free service.
- **One-per-household rule should be modified to allow for residents of homeless shelters and other group living facilities to enroll.**
 - Rule was established in 1997 when Lifeline was a wireline service provide by LECs to customers' residential addresses.
 - With advent of wireless service, customers do not need a permanent residential address.
 - Some of neediest persons do not have their own permanent addresses.
 - TracFone has been working with the Salvation Army and other operators of shelters to establish procedures to enable homeless persons to receive Lifeline benefits.
 - Rule should be changed to allow for non-related persons residing at the same address to receive Lifeline support, if otherwise eligible.
- **PIN-based identification system doesn't work**
 - Burdensome for persons to remember a unique PIN.
 - Social Security Numbers (e.g., last 4 digits plus applicant's name) work well -- they are just as reliable and more convenient for consumers to use.
- **Head of household rule needs clarification**
 - No guidelines how to determine who is head of household
 - Difficult to administer without being arbitrary
- **National Uniformity of Lifeline Eligibility Requirements is Important.**
 - Some states have adopted eligibility certification and verification requirements which deviate from the federal requirements.
 - Other states (e.g., Massachusetts, Utah) are conducting proceedings to establish requirements.
 - FCC and the Joint Board should encourage national uniformity and consistency in verification requirements, especially for programs which are not funded by separate state funds.